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(Original Signature of Member)

117TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to exclude from gross income certain income from providing homeowner's insurance following certain federally declared disasters.

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IN THE HOUSE OF REPRESENTATIVES

Mr. HIGGINS of Louisiana introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Internal Revenue Code of 1986 to exclude from gross income certain income from providing homeowner's insurance following certain federally declared disasters.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXCLUSION OF CERTAIN INCOME FROM PRO-**  
2 **VIDING HOMEOWNER'S INSURANCE FOL-**  
3 **LOWING CERTAIN FEDERALLY DECLARED**  
4 **DISASTERS.**

5 (a) IN GENERAL.—Part II of subchapter L of chap-  
6 ter 1 of the Internal Revenue Code of 1986 is amended  
7 by adding at the end the following new section:

8 **“SEC. 836. EXCLUSION OF CERTAIN INCOME FROM PRO-**  
9 **VIDING HOMEOWNER'S INSURANCE FOL-**  
10 **LOWING CERTAIN FEDERALLY DECLARED**  
11 **DISASTERS.**

12 “(a) IN GENERAL.—In the case of each taxable year  
13 in the recovery period, there shall be excluded from the  
14 gross income of each specified insurance company the con-  
15 tinued business percentage of the qualified homeowner's  
16 insurance income of such company for such taxable year  
17 with respect to any disaster area.

18 “(b) SPECIFIED INSURANCE COMPANY.—For pur-  
19 poses of this section, the term ‘specified insurance com-  
20 pany’ means, with respect to any disaster area, any insur-  
21 ance company (other than a life insurance company)  
22 which, immediately prior to the incident date with respect  
23 to such disaster area, provided homeowner's insurance  
24 with respect to property located in such disaster area.

25 “(c) QUALIFIED HOMEOWNER'S INSURANCE IN-  
26 COME.—For purposes of this section, the term ‘qualified

1 homeowner's insurance income' means, with respect to any  
2 specified insurance company for any taxable year, the ex-  
3 cess of—

4           “(1) the premiums received by such insurance  
5 company for homeowner's insurance with respect to  
6 property located in the disaster area, over

7           “(2) deductions properly allocable to such pre-  
8 miums.

9           “(d) CONTINUED BUSINESS PERCENTAGE.—For  
10 purposes of this section, the term ‘continued business per-  
11 centage’ means, with respect to any specified insurance  
12 company for any taxable year, the ratio (not greater than  
13 1) of—

14           “(1) the amount of gross premiums written,  
15 during such taxable year, on homeowner's insurance  
16 with respect to property located in the disaster area,  
17 divided by

18           “(2) the amount of gross premiums written,  
19 during the last taxable year of such insurance com-  
20 pany ending before the incident date with respect to  
21 such disaster area, on homeowner's insurance with  
22 respect to property located in the disaster area.

23           “(e) RECOVERY PERIOD.—For purposes of this sec-  
24 tion, the term ‘recovery period’ means, with respect to any

1 disaster area, the first 5 taxable years ending after the  
2 incident date with respect to such disaster area.

3 “(f) DISASTER AREA.—For purposes of this section,  
4 the term ‘disaster area’ has the meaning given such term  
5 in section 7508A(d)(3).

6 “(g) INCIDENT DATE.—For purposes of this section,  
7 the term ‘incident date’ means, with respect to any dis-  
8 aster area, the earliest incident date specified in the dec-  
9 laration with respect to such disaster area.”.

10 (b) CLERICAL AMENDMENT.—The table of sections  
11 for part II of subchapter L of chapter 1 of the Internal  
12 Revenue Code of 1986 is amended by adding at the end  
13 the following new item:

“Sec. 836. Exclusion of certain income from providing homeowner’s insurance  
following certain federally declared disasters.”.

14 (c) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to disaster areas the incident date  
16 (as defined in section 836(g) of the Internal Revenue Code  
17 of 1986, as added by this section) of which is after Decem-  
18 ber 31, 2021.